

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

HB 1613 - SB 1377

March 11, 2011

SUMMARY OF BILL: Eliminates the fee charged by the State Fire Marshal for review and approval of plans and specifications prior to construction or alteration of certain types of buildings or structures.

ESTIMATED FISCAL IMPACT:

Decrease State Revenue - \$1,494,900/Recurring

Increase State Expenditures – \$4,800/One-Time

Assumptions:

- According to the Department of Commerce and Insurance (TDCI), this bill will eliminate review fees while requiring no reduction in TDCI services.
- TDCI will incur reprogramming costs for the web portal at rates established by the Department's web portal maintenance contract. TDCI estimates 40 hours for reprogramming at the contracted rate of \$120 per hour. The estimated one time increase in state expenditures is \$4,800 (\$120 per hour x 40 hours).
- According to TDCI, review fee revenues were \$1,610,500 in FY08-09 and \$1,379,300 in FY09-10. The recurring decrease in state revenue will be approximately \$1,494,900 $[(\$1,610,500 + \$1,379,300) / 2 \text{ years}]$.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in blue ink, reading "James W. White".

James W. White, Executive Director

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